

# **CIPS**

## **L3M2 Exam**

**Ethical Procurement and Supply**

**Questions & Answers  
Demo**

## Version: 4.0

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### Question: 1

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Spot the odd one out.

- A. Effectiveness
- B. Ecology
- C. Efficiency
- D. Economy

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**Answer: C**

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Explanation:

You should be familiar with the meaning of the terms economy, efficiency and effectiveness and able to distinguish one from the other.

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### Question: 2

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You have invited quotations for some building maintenance work to be done at your organisational headquarters. Your sister has recently taken up a position as Head of Marketing at one of the firms which has quoted for the work. What should you do?

- A. Disbar the firm your sister works in, from the exercise, as the connection could create undesirable rumours about malpractice.
- B. Do nothing – you know you are honest and that is what matters.
- C. Ask your sister to take you out for dinner on her expense account to discuss the matter.
- D. Advise your line manager in writing, and ask to be excused from participation in this particular procurement exercise.

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**Answer: D**

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Explanation:

A simple solution is to 'recuse' yourself from anything to do with this procurement. That way, neither you, your employer or your sister can be accused of malpractice.

Disbarring your sister's employer punishes them simply because both they and your firm employed high-quality people. :)

Sometimes knowing you are honest is not enough: sometimes you have to demonstrate that.

So the only answer which makes sense is the correct one, as above.

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### Question: 3

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Disclose, distance, delegate, ...?

- A. Dislocate
- B. Disassociate
- C. Discriminate
- D. Discombobulate

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**Answer: B**

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Explanation:

Disassociate is the correct answer.

This is the 4 D's model of how to deal with a conflict of interest.

'Discombobulate' means to disconcert or confuse, as if you didn't know.

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**Question: 4**

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Where performance of the contract may be impossible because of external unforeseen factors, this may be called:

- A. Force majeure
- B. Force supérieure
- C. Force ouvrière
- D. Mutatis mutandis

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**Answer: A**

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Explanation:

A force majeure clause in a contract may give rights to either party to suspend its obligations in the event of something untoward happening which is outside the control of the parties.

Examples might volcanic dust clouds, tidal waves or a pandemic. Often lesser events trigger (or are used to trigger) the use of such a clause.

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**Question: 5**

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KPIs should be:

- A. START
- B. SMART
- C. SWART
- D. SHARP

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**Answer: B**

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Explanation:

Key Performance Indicators should be specific, measurable, achievable, realistic and time-bound; or words very similar to those, meaning broadly the same.